

ANTHROPOLOGY AND BUSINESS: REFLECTIONS ON THE BUSINESS APPLICATIONS OF CULTURAL ANTHROPOLOGY

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with

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1. The Range of Anthropology

Can the researchers studying faith-healing ceremonies of Himalayan and Siberian shamans be useful for the marketing strategies of multinational business targeting the sophisticated Western European consumers ? Can a scholar of body language and symbolic gestures in the tribal cultures of North African nomads help to improve the management of human resources in a North American company with manufacturing base in Southeast Asia ? Is an expert in Oriental religions helpful to draw strategies for export-oriented North Italian small and medium enterprises ? What about the role of a specialist of ethnic and folk medicines in an urban regeneration project or in the management of a natural reserve or park ?

Business-people and administrators may wonder how anthropology can be helpful to contemporary problems. But the anthropologists believe that their knowledge, skills and perspectives have considerable value for the comprehension, interpretation and guidance in the affairs of **business** and **governance**. Indeed anthropologists have been hired as high-level

consultants by various institutions and organizations including many government departments, international bodies (such as United Nations agencies, The World Bank, Asian Development Bank) and non-governmental organizations (NGOs). There are also a few cases of anthropologists who served as consultants for the big business (e.g. Procter & Gamble, Royal Dutch/Shell, Westinghouse, Campbell Soup, Union Carbide, Philips, Apple Computers, General Motors, Xerox, Sprint Communication Ventures, US West, NYNEX, etc.).¹

Today's business climate is characterized by the globalization of economy, intense competition and extremely complex and demanding market. The aim of this paper would be an exploration of *what* the anthropologists can do for business and *how* do they do it. For this first we must have a clear picture of what is anthropology.

Anthropology can be broadly defined as the systematic attempt for a scientific study of the genus *Homo* from its beginnings, in all its variations and manifestations. The subject-matters known as human biology, human ecology, palaeontology, prehistoric archaeology, ethnic and community studies, history of religion, linguistics, folklore etc. are all easily included under the single banner of anthropology. There are two broad fields in anthropology - *biophysical* and *sociocultural*. And there is infinite space for sub-classifications within them.

The sociocultural field has been the best known and by far the most representative among all the sciences of man. It is widely known as **cultural anthropology**. Also *social anthropology* (as it is called in Britain) and *ethnology* (in many parts of the continental Europe) belong to the same field although they may slightly (and, sometimes, significantly) differ in their theoretical premises, methodological approach and over all cultural perspectives.

Cultural anthropology is **holistic** and **interdisciplinary** by nature, for it combines a series of empirical, logical and intuitive inquiries - field observations (phenomenological), critical historical (diachronic) and comparative (synchronic) analysis and, at the end, an organic interpretation. It attempts to explore and interpret the implicit patterns and meanings underlying people's beliefs and behaviour, communities and organizations.

Anthropology deals with three integrated spheres of human reality:

Human being. First of all anthropology deals with the structural and existential realities, i.e. man's place in the universe, man's relations with the rest of biotic and abiotic universe, with the real and the imaginary worlds. It proceeds through concrete societal or biophysical data (e.g. family or kinship structure, anatomy, diseases or nutrition) to go as far as to the philosophical and metaphysical speculation (theories of society, culture, knowledge, mind and existence).

Human becoming. Secondly, it deals with the processual realities, i.e. the dynamism of change within and around man. Natural and cultural histories are combined to comprehend the

past and present of human adaptations in diverse ecosystemic and organizational frameworks. This particular aspect, i.e. the *evolutionary anthropology*, is very fascinating and, at the same time, quite controversial. In its infancy, anthropology was quite subservient to biology from which it borrowed its evolutionary paradigm and all the scientific “black holes” and contradictions associated with that. Evolutionary anthropology has received so much academic attention that many tend to identify and confuse it with the whole anthropological science.

Human knowing. Lastly, anthropology deals with the cognitive aspects. It explores inside the possibilities, methods, limits, containers, conduits and contents of human knowledge in diverse ecological and institutional settings. The oral traditions, mythical memories, ethical codes, technical and organizational know-how of the peoples and cultures constitute some of the most important objects of anthropological research and reflections. Anthropology attempts a cross-cultural examination of knowledge focusing on the problems perceived and solutions attempted, in different geo-cultural contexts, among diverse ethnoses and cultures, and under different circumstances.

This particular aspect, i.e. *cognitive anthropology*, is the least known among all. There has always been a subtle ethnocentric arrogance in the official anthropology establishment which was entirely Western in the beginning. It still continues to be dominated by the modern Western cultural paradigm, by the 19th century’s legacy. Most anthropologists did not care to learn *from* the people and cultures but only to know *about* them and to explain this information in their own civilization’s terms and cultural propositions. With the contributions of non-Western anthropologists and the emergence of the new generation of Western anthropologists the situation has somehow changed. Contents of traditions and cultures are being taken seriously as valid sources of scientific hypothesis. Ethnic knowledge (ethnobotany, ethnomedicine, ethnopharmacology, native systems of organization and management, ethics, etc.) is receiving care and attention. It is now widely accepted that anthropology is a life-long, open-ended learning business. Studying cultures, communities and organizations is, above all, learning *from* the people and sharing their knowledge and not merely knowing *about* them.

2. Scope and Limits of Applied Anthropology

Anthropology is basically qualitative information, in contrast to the quantitative information of social statistics or economics. It is the information regarding peoples, their habitats, communities, institutions, values, habits and aspirations. And information is always power - however subjective or objective, partisan or impartial, fragmented or complete it may be. Analysis of the sociocultural qualitative information supported by some quantitative data (statistics) can be crucial in the decision-making process. The qualitative sociocultural

information consists of worldviews, interactions and organizations. The implicit patterns and traditional values underlying behaviour and organizations do not emerge from the conventional social science studies (e.g. sociology and economics).

Applied anthropology tries to turn the implicit into explicit, values and patterns into operative elements. There are two ways in which the anthropological knowledge is applied. One is through the use of anthropological information of public domain. Concerned people and organizations may wish to undertake in-depth studies of particular territory, community or topics of their interest. And they may improve their understanding through the available literature, audio-visual documentaries, orientation courses, seminars, etc. of anthropology. The other way is through specific advisory and support service of anthropologists hired for a period (e.g. in many NGOs, business organizations and administrative institutions) or as permanent in-house experts (e.g. in the UN agencies, The World Bank, Asian Development Bank and some companies).

The scope of applied anthropology is very wide. Any organization dealing directly or indirectly with the human beings - as groups, communities, institutions, staff, consumers, clients, partners, taxpayers, beneficiaries, interlocutors, target, etc. - can not afford to ignore the complexity underlying **human behaviour** and organization. Today nobody doubts the fact that human behaviour is not just the linear chain of stimulus and response. Behaviour and organizations are shaped by the interplay of interpersonal interactions, biophysical endowments, material situation, social factors and interior dynamism such as values and conscience. All that is **culture**. Culture is not a product but an ongoing, open-ended process. It is not just one more variable among many others. It is all-pervading, invisible and influential. It is the totality of external and internal impulses arranged as a huge blueprint for the individual and collective behaviour. Its ramifications are to be found in **business culture** and **organizational culture**. No other social science is so well equipped as anthropology to deal with that.

As the scope of applied anthropology is very wide so are the chances of its misuse, inappropriate and fruitless applications. Following the trend or fashion of anthropological consultancy many organizations may simply hire an anthropologist as a showpiece without really providing him/her sufficient resources and logistic support to conduct a serious research or simply ignoring his/her findings and recommendations.

The wideness of applied anthropology has two dimensions: an interdisciplinary one and an intercultural one. As a matter of fact all human and social problems are interdisciplinary. No social or human problem can be dealt from the perspective of only one discipline. Anthropologists are usually very skillful in merging together different sources of information and analysis, creating an added value. All this brings anthropologists also to be skillful in

teamworking with experts of other disciplines. At the same time, their vocation, method and experience tend to make them individualistic and, sometimes, eccentric, and not always good team players. With the gradual spread of applied anthropology more and more anthropologists have learned to overcome this weakness. The capacity to observe while participating in the real life situations (the well known **participant observation** method in anthropology) is an advantageous point of departure for the development of teamwork skills.

Today, most of the business affairs involve more nation-states and governments. The globalization, migratory movements and close interdependence among governments, industries and communities across the geographical and political boundaries have made the business multidimensional and complex. This is the **intercultural** dimension. More than one language, religion, ethnicity and culture are involved in today's affairs. Therefore businesses, governments, inter-governmental agencies and non-governmental organizations must combine **interdisciplinary** thinking with the **intercultural** approach in order to create a common comprehensive operational ground. It is necessary to work out common intelligibility in concept, method and procedure, roles and relations, accountability and safety, etc. in order to insure smooth functioning and better output. Anthropologists can help in analyzing and shaping the organizational and business cultures.

Social structures and cultural frameworks are permanently in a state of flux. So the methods, data and theories of applied anthropology need to be constantly revised and updated. Most important issues of community and territory demand medium and long-term cumulative and comparative research in order to have sound picture and confidence in the findings and interpretations. This can be a burden for many organizations. Some (usually big organizations) may be able to respond to this problem by employing an anthropologist permanently as in-house expert. But it is not always possible for many consultancy service-users who need quick solutions and are willing to sustain only short-term inquiries. Few well experienced and highly skillful anthropologists may usually be able to manage qualitative researches in compressed timeframe. However, better methods, procedures and standardization for the short and medium-term applied works must be developed in the applied anthropology.

In the following chapter it will be attempted a step forward in defining the concept of business and industrial anthropology.

3. Towards a Business Anthropology

3.1 The use and abuse of anthropology: background and prospects

In the early colonial times, in 19th and early 20th centuries, the Western anthropologists willingly served the politics of subjugation and the business of control and exploitation by the Europeans and by the New World settlers of European origin in the rest of the world (Foster, 1969). Anthropologists consciously and voluntarily helped the colonial administrations and economic organizations through their comprehension of indigenous languages and cultures to create efficient systems of control. That was applied anthropology - however politically incorrect it may seem today.

In the years of Soviet communist empire, the anthropology encouraged and helped by the political power centres to study the Central Asian, Siberian and other peoples and cultures. Soviet anthropologists also helped to design education, legislation, institutional infrastructure and economic development in order to make the communist “revolution” successful across the ethnic and national frontiers. Knowledge of sociocultural structures and an ability to manipulate them in favour of the power establishment helped even some tiny regimes of far away lands.² All that was applied anthropology.

In the period following decolonization, many anthropologists in India, China and other countries came forward to help the new institutional build up process. Meanwhile the Western anthropologists remained more or less skeptical about the use of anthropology. They feared the misuse or, probably, felt a sense of guilt for their past. The majority of Western anthropologists advocated an extremely cautious approach in relation with the world of governance and business fearing the abuse of anthropology and manipulations of sociocultural realities (Belshaw, 1976). Anthropological thinking underwent severe self-criticism and soul-searching during the 1960s and 1970s. Only a few anthropologists showed interest in the affairs of public policy, business and industry.

During 1960s and ‘70s, the majority of anthropologists resisted the idea of collaborating with the industry and business. Indeed very little was done in that period. Now, at the threshold of a new millennium, things have taken a different turn. New pressures such as global presence of multinational companies, changes in workforce diversity, spread of industrialization in non-Western societies and many far reaching technological innovations have created conditions for the anthropologists to participate in the business world.

Another important factor for the interaction between business world and anthropology has been the shift in the subject-matter of study. The so called “primitives” are too few and

overstudied. Most of the traditional contexts are undergoing rapid transition. And, the modernized and complex industrialized societies are proving to be much more “exotic” and underexplored than what generally supposed.

At present, the globalization of business is creating new and unique situations involving personalities, generations, political and administrative set-ups, legal frameworks, organizations, communities and cultures. It means new opportunities to observe, analyze and interpret human dynamics in different circumstances. Today business is a main topic for modernized societies, for it permeates life of everyone. A number of sessions dedicated to specific business-related topics at the American Anthropological Association have demonstrated the growing interest of anthropologists in business. In the USA, there is a National Association of Practising Anthropologists (NAPA) associated with the American Anthropological Association which has shown considerable interest in the business applications of anthropology. On the other side, the business world is also showing some interest in anthropology. The relations between anthropology and business seem quite profitable for both - new scientific and cultural opportunities for the anthropologists, and, better insight, an increased ability and new skills for the business-people.

3.2 The new paradigm and the role of applied business anthropology

The current pace of globalization, interdependence, technical innovation and competition is forcing the business leaders to rethink constantly their strategies and long-established business thinking and practice. Today’s business dealings are across the political and cultural frontiers. The human components (from suppliers to consumers) and material components (from raw materials, manufacturing plants to after-the-sale service apparatus and recycled stuff) are international and multicultural. Today’s businesses involve materials, skills and resources from more than one country and social system. They also reflect more than one organizational culture. So ignorance of cultural differences is not just unfortunate, it turns to be bad business. There are many documented cases in which big business organizations have faced loss due to their failure to grasp the different cultural environments (Ricks, 1983). New business thinking demands a deep concern with the culture.

The administrative, legal and financial environments of different countries are easy to grasp, for they are usually tangible (codified) and can be easily translated and communicated. The chances for error and misunderstanding are always there, but relatively low. Whereas the risk of error and misunderstanding about the social system and cultural environment is quite high. Because they are quite intangible and very difficult to quantify, grasp and communicate. The grasp of cultural environment is essential in international business (Dressler & Carn, 1969;

Kahal, 1994). Because it constitutes the permanent backdrop of all the other (legal, political and financial) developments. The new business thinking emphasizes in the **cultural awareness** and in the **intercultural skills**. Anthropologists can be helpful in two ways in this regard. First, they can directly help (as part of the management team) the business organizations in their international and intercultural dealings. Second, they can contribute significantly in the business studies and training programmes designed for the business operators.

New business thinking must take in to consideration the forces shaping the new emerging cultural paradigm.

The population in the whole world is aging and people live longer. By the year 2000, nearly 1 person in 3 in the industrialized world could be over the age of 60. The percentage of the very old people, who need more care and services, is growing rapidly. These demographic facts have wider social, cultural and material ramifications. The goods, information, services, living and working environments need to be adapted to the new realities of the aging consumers. Providing quality services to the aging population and enabling them to live (and die) decently and independently poses new challenges and new opportunities for technology and competitiveness of the industry. The **gerontechnology** is a new thinking in technology and industry³. It consists of the search for simple, human and sustainable solutions for the aged and aging ones. Declining psychophysical abilities demand compensating technology. That must be, at the same time, aware of the need of simplicity, safety and sense of permanence. The aged ones are not prone to learn complex “how-to-use” booklets. Neither are they keen on changing products and brands following the fashion of the moment. In order to have a coherent picture of the reality of aging all the demographic, institutional and cultural factors (i.e. vital statistics, family, kinship, religion, caring agencies, social assistance, protective mechanisms of the community, etc.) must be carefully examined. Such applied studies are beneficial for planning, production design, marketing and commerce.

It is a hard fact that the strategic planning can no more assume that one could project existing realities out in a more or less straight line and achieve satisfactory results. The changes are often not predictable and very difficult to manage. **Rapid discontinuous changes** are real possibilities - climate changes, ecological disasters, incidents, new diseases, epidemics, opinion movements, political crisis, conflict outbursts, sudden and large-scale movement of people, goods and information, etc.. A very recent example is constituted by the “mad cow” (BSE) syndrome’s global effect on the business of beef and related products and services. The enormous scale of loss and logistics nightmare (to recognize, separate, transfer and destroy the infected or supposedly infectious livestock units) is beyond imagination. The cost of

reorganization is going to be quite heavy. Many workers, their families, businesses, service and administrations are affected. Was all that anticipated by any business forecasting?

Even the most sophisticated forecasting with near-perfect mathematical model is of little help in front of the rapid discontinuous change. The only stability is in accepting uncertainty and being systematically open to novelty and heresy. *Also* the straight-line, statistics-supported forecasting should be taken into consideration - as *one* of the possible scenarios but *not* as the only line of thinking. All possible and imaginable scenarios must be carefully examined in view of best possible solutions. This is scenario planning (see next paragraph). It may lead to the constitution of a flexible response and adaptation mechanism. The business organizations could be prepared (through interactive learning, training and simulation) for quick shift and adjustment from one scenario to the other - managing the change, containing the damage and turning the crisis into opportunity. Scenario planning is a systematic thinking about the unthinkable.

The tendency of the world to converge into a single market is urging national governments to drop many trade barriers. The national governments are increasingly unable to manage the regulations of international trade, and the regulating power is being devolved to inter-governmental regional bodies. It may be the embryonic stage of regional megapowers and trading megablocks. At the same time, it is also causing the search for new models of relationship among the economic forces, political institutions and communities between and within the nation-states. There are signs of disturbances for the established institutional reality of the nation-state itself - not only in the countries with marked ethno-territorial heterogeneity but also within the largely homogeneous industrialized societies. By one side, we seem to head towards a new globalism and transnationalism through the regionalization of the local and national economies. And, by the other, local sense of belonging such as ethno-territorial and cultural identities are receiving new emphasis. The business organizations are moving to a new and fluid phase. They must be able to anticipate situations. They could also contribute in fostering new balances between **local identities** and **global affairs**, autonomy and interdependence, cultures and markets, and be able to cash the available opportunities. The conventional thinking of a single uniform world through consumistic and hedonistic homologation is far from reality. Cultural and environmental bereavement of the people and consequent strive for the “sense of belonging” must not be overlooked. Today, the driving forces in the public opinion, power struggles and armed confrontations are no more competing ideologies but conflicting identities. New business thinking must take into consideration both the local and the global aspects. The products, services and all business organization and affairs always undergo subtle processes of acculturation and differentiation in perception and use (or,

say, cultural metabolization) in different societies. This happens also within a single society and cultural framework - in diverse quarters, segments and subcultural groups. Therefore, communities, groups and categories and their dynamism must be constantly observed and properly understood by the business operators.

The perception of crisis and precariousness (in environment, identity, employment, health and safety) is unsettling the **consumer thinking**. Today's consumers strive for uncertainty avoidance⁴, preferring predictability and stability. Consumers, particularly in the developed world, have developed a strategic opportunism (Boggia, 1992).

That is creating the ground for the widespread and sudden refusal of many products and services, for unpredictable shifts in the consumer behaviour. **Environmental ethics** and strong criticism of science and technology are increasingly influential in the consumer thinking and behaviour in the industrialized societies. Never before in the last two centuries the myth of scientific knowledge (science's ability to explain anything) and the belief in the power of technology (ultimate technological fix for everything) have been so seriously questioned - not just by a tiny critical élite but by a vast majority of people. People have no doubts that the scientific and technological progress may prolong the life-span, reduce the time and energy needed for many actions, and may even find solutions to many specific problems. Yet very few really believe that further progress of science and technology may help to live healthier and happier and that there would be more fun, serenity and quality of life. The paradox is in continuing in a direction (i.e. scientific and technological progress) without really believing in it.

A process of shift can be noticed - from a purely anthropocentric vision of the reality towards an increasingly cosmocentric or biocosmic vision, from a predatory attitude towards a convivial one. It would be exaggerated to affirm that the superiority of human being vis-à-vis other forms of life (plants, animals, etc.) is being seriously questioned. It is increasingly evident that the centrality of man is no more an absolute truth. There seems to be a subtle but powerful desire to disrupt the chain of "wonders" of man's domination of nature (science and technology) and "impermanence" (technical and industrial innovation, fashion, continuous change) and their consequences as wastes (too many things too quickly getting "obsolete", the toxic wastes) and precariousness (crisis of environment, jobs and identity). Business-people should take notice of this paradigm shift (Kuhn, 1992), particularly in the industrialized societies. They should not forget that people are increasingly associating the emergence of "mad cows" with the blind pursuit of "fat cows". People simply want "good cows". The business world must prepare to face the challenges of creating and projecting new, credible, concerned and enlightened industry

and business. Anthropology may be helpful to the business world in the process of new thinking and in building new relationship with the communities.

3.3 Issues and methods in the business applications of anthropology

According to some recent studies (Gonzalez, 1995 ; Costa & Bamossy, 1995 ; Baba, 1986) anthropologists help solving a wide variety of contemporary business problems. Some of them are related to the acceptance of new technical tool, method and process by reluctant workers. Companies having workers with different educational, ethnic and cultural backgrounds face serious difficulties in creating a coherent organizational culture (Schultz, 1995). Anthropologists have been hired to investigate sources of trouble (Mars, 1994) and to suggest remedies. In some cases, they even help to mediate and open communication between groups of workers and management (Trice, 1993). Anthropological methods and theoretical frameworks seem helpful to business organizations in the following practices :

(i) *anthropological marketing* : analyzing marketing and consumer behaviour (Sherry, 1995) through the observation and analysis of differences in the approach to products and services, their acceptability and consumption patterns across social segments, cultural and subcultural groups (age, sex, gender, income, profession, territoriality, ethnicity, ideological or cult group belonging, etc.). This new paradigm of studying cultural and cross-cultural consumer behaviour has been defined Ethnoconsumerism (Costa & Bamossy, 1995). The anthropological approach to marketing focuses on other relevant aspects :

- the influence of family, kinship and friendship dynamics on product or service use (pre-marketing survey and analysis)
- the influence of broad cultural patterns and trends on the prioritization of products and services and on the brand preferences, brand loyalties, etc.
- the maintenance of the social roles, images and self-perception through the symbolic meanings associated with certain products or services and the mode of consumption
- international and intercultural marketing
- variations in access and response to advertisements and other forms of business information and promotion
- designing new systems, developing new products and services ;

(ii) *intercultural communication and advertising* : support to managing relationships and negotiations (Gulbro & Herbig, 1996) between institutions and organizations, involving different cultures, ethnic belongings and social systems (i.e. cross-cultural negotiation⁵ and communication); developing advertising materials, planning and evaluating corporate image and positioning ; studying communication strategies; support in defining, projecting and managing

the brand value (i.e. brand evaluation and analysis) ; in-depth studies about changes occurring in the semantics (language, symbols, images, etc.), the approach, the acceptability and the effects of advertising, commercials and promotions ;

(iii) *organizational culture* : workplace ethnographic analysis ; managing diversity and change (say, in cases of M&A, B.P.R., etc.) ; identification and management of occupational sub-cultures in workplace ; analyzing interactions between climate, cultures, work patterns, affective micro-systems; resolving conflicts and managing the hidden and inarticulate agendas and informal networks ;

(iv) *strategic planning support* : analysis and evaluation of risks tied to changes around the world, observation of new moral and cultural paradigms, identification of new business horizons (i.e. risk analysis and assessment) ; support in defining and evaluating policies, programs and strategies through feedbacks (from employees, consumers, institutions, partners and competitors) gathering and analysis ; outline of strategic information about different geo-cultural contexts and cultural evaluation of potential partners (i.e. culture area analysis) ; support in defining scenarios and strategic implications.

(v) *land-use and industrial planning* : socio-economic effects of urbanization ; business land-use mapping (available resources and their state of health, current activities, crises and new business opportunities) ; support in developing strategies of integration between companies and community ; evaluation of social and environmental impact of industrial and other development projects (Pant, 1995).

How can all that be done? What are the *methods* of anthropology applied in business ?

The natural sciences (botany, physics, chemistry, etc.) generally tend to isolate the phenomenon being studied in order to comprehend its ultimate composition and minutest details. Anthropology is just the opposite. It tends to relate the phenomenon under study to the total setting. Anthropologists generally use in-depth case studies. Anthropologists enlarge their observation proceeding gradually from the small, immediate surrounding to wider, outer circles. Then, they come back from the wide panoramic view to the minute, particular observation. They repeat this process of shuttling from micro to macro and again back to micro several times. In this way, they believe to be able to consider all possible connections of the phenomenon under study and to grasp its place in the total context. All this is known as **qualitative research**, which is different from the quantitative research (e.g. the statistics-dominated researches in sociology and economics). Quantitative research tools are also utilized but as a secondary support to the qualitative research.

The natural science follows the method of isolation, whereas anthropology pursues contextualization. The natural science labs are appropriately structured and equipped to isolate,

mix and re-isolate, in other words, to manipulate. Changes can be brought through abrupt interventions, and the effects can be measured in a relatively little span of time. In contrast to that, anthropologists' lab is the "field", the real world, i.e. territories, communities, workplaces, markets, etc. The "field" is not manipulable, it must be accepted as it is. Few reforms and adjustments can be introduced only in slow and selective manner. Their effects are never accurately predictable and they can not be measured quickly and easily. A natural scientists is an "actor" in the lab works whereas an anthropologist is usually a "spectator" in his fieldworks. As labworks are essential for the so called "exact" sciences, **fieldwork** is essential in anthropology, an "approximate" science. There is no real anthropology without fieldwork. The fieldwork is done in order to have the first-hand experience of the reality. Is is repeated to verify the findings and to have confirmation of the rational analysis. *Anthropological method* is an investigation procedure which does not deny the possibility of subjective conditioning. The subjectivity (pertaining to the researcher's personal background) is accepted. It is exposed and channelled from the very beginning. Anthropologists believe that the undue influence of subjectivity can be contained only through its honest acceptance and exposure.

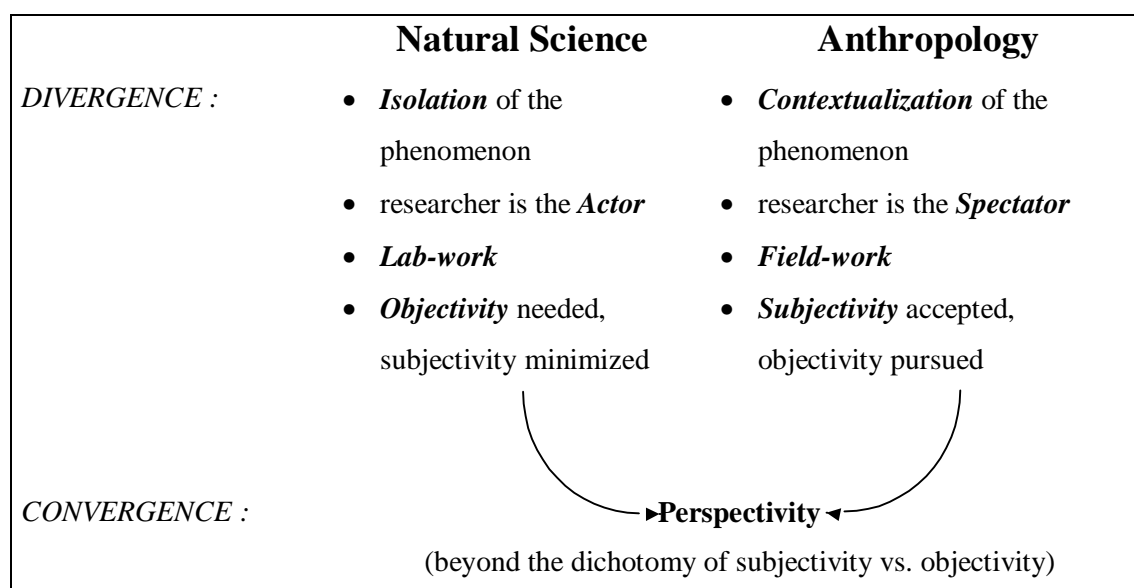


Figure 1. Natural Science vs. Anthropology: divergence and convergence

Once the phenomenon or issue concerned is properly singled out the anthropologists start their work with phenomenological observation. In the fieldwork, it implies just "being there" without exercising concepts, categories and classifications. The observer tries his best to avoid analytical thinking while maximizing his/her exposure to the reality. The researcher remains passive but he/she is highly receptive to the information, sensations, sentiments and intuitions.

He/she lets the reality to speak to him rather than actively questioning the reality. In the preliminary deskworks, it amounts to an indiscriminate collection of all research materials (photos, films, papers, books, news-items, statistics, etc.) including those ones just touching the peripheral aspects of the issue or phenomenon of concern. This is the pre-critical phase of anthropological inquiry.

The pre-critical phase stimulates the observer and provides him/her the ground for discerning and organizing the indiscriminately collected experiences and materials. Typological elaboration succeeds the pre-critical phase. The researcher abandons the forced passive state but maintains the receptivity. All the field notes and research materials are carefully examined and re-organized according to the new conceptual categories derived from the direct experience. Only in this phase the researcher can attempt to classify things, beings and situations. For instance, only after having a direct experience of the Chinese countryside can one establish the parameter for age groups among Chinese villagers. A 14 years-old adolescent female may be considered a child in north Italy, who may be a habitual consumer of certain products and services designed for the children. But a girl of the same age may already be a little lady in the Chinese provinces. She could be responsible for a number of house and farm works and her parents may be already searching a suitable husband-candidate for her. Even with the increased purchasing power, she may not be a consumer of the products and services destined for her contemporaries (considered “children”) in Italy or somewhere else. So the categorization of age-groups can not follow the pre-established generic parameters. According to the anthropologists, there is no use proceeding with the ready-made categories, parameters and criteria. One should let them emerge from the subjective experience of the specific objective reality.

The third phase is that of critical analysis. This includes comparative and in-depth case studies. The comparison may be within the focus group - among various subgroupings of age, sex, work, education, exposure to certain ideas and experience and so on. It is called internal comparison. There may also be external comparison which takes into consideration more than one focus group - similar, neighbouring, different but related in some way. The comparison is in both dimensions - time (diachronic, along the vertical sequence of periods) and space (synchronic, along the horizontal line of contemporary contexts). This is the most active phase. The researcher is deeply involved with the subject-matter and tries his/her best to analyze all the data, information and experiences. In the fieldworks, it implies well targeted and structured inquiries and verifications. In the deskwork, it implies in-depth study of the already classified and elaborated information.

The fourth phase is that of interpretation. The researcher freely interprets all the findings of his/her critical analysis based upon the typologically elaborated materials and impressions, which in turn, have their sources in the “raw material” derived from the first phase (direct, pre-critical, empirical observation). The researcher may repeat the field experience to verify the theories. The verification may lead to the disclosure of certain aspects and issues. And, at the end, the researcher may repeat the whole process of field and desk works again.

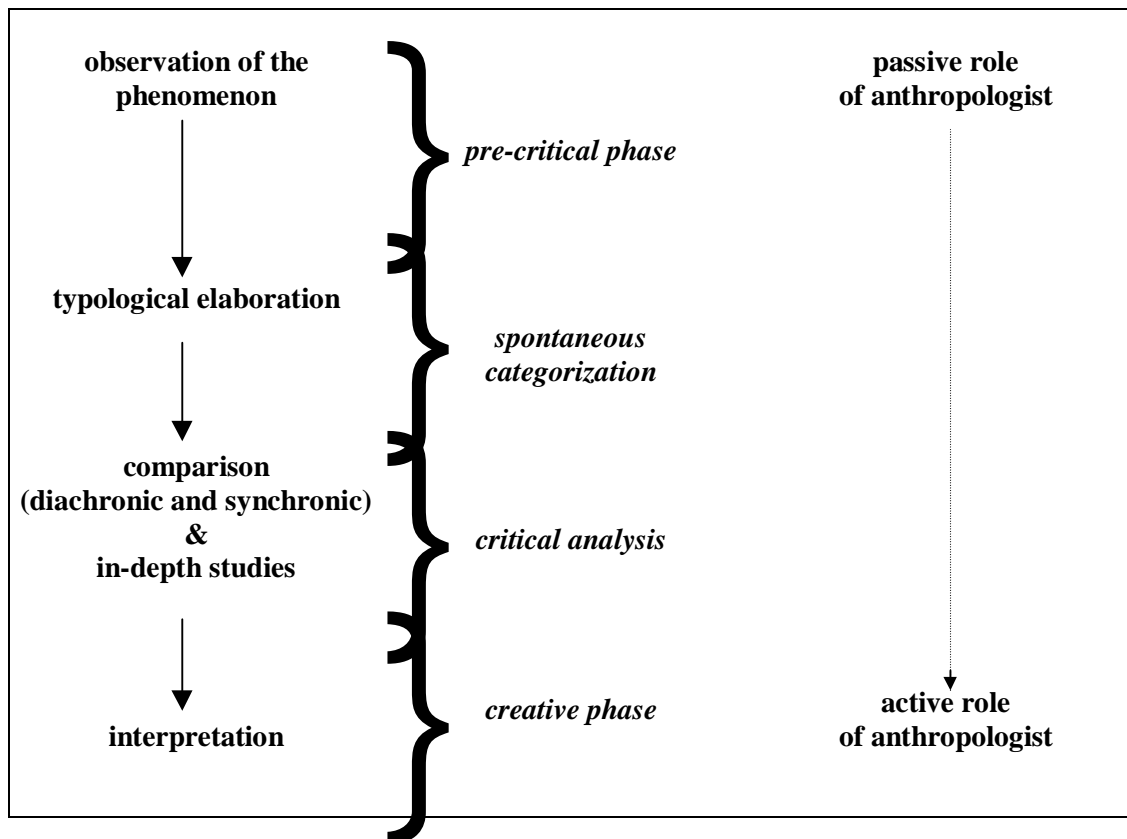


Figure 2. Anthropological fieldwork method.

One of the best ways of field research in applied business anthropology is known as **workplace ethnography** (Gerald, 1994). It consists of direct observation and analysis of the events, personalities, activities and processes in the workplace. Anthropologists also participate, more or less actively, in the workplace activities and processes (Hofstede, 1994). This is called **participant observation**. Similarly, there is a **marketplace ethnography**⁶ which scrutinizes the entire process of individual and social access and acceptability of the advertisements, products, services, etc. (Costa & Bamossy, 1995). Participant observation is crucial in all cases. **Ethnography** through participant observation is generally used for a quasi-exhaustive empirical description of a community. The description may proceed through the smallest to larger cycles (and/or vice versa) of the life in the community-settlement - day, fortnight, seasons, year and so

on. It may also try to grasp a total picture of life through the cycles of celebrations and extraordinary intervals - from the rites of passage of an individual (birth, education, initiation, marriage, parenthood, old age, death and funeral rites) to the ceremonies of collective calendar (festivities, celebrations, etc.) through the feasts of close entities like family, clan or kinship groups. Ethnography also describes the roles, functions, relations and obligations of the different units composing the social corpus - individuals, families, clan, ethnic or community circles, confraternities, formal groups and informal networks.

Ethnography is descriptive in the beginning but it leads to a comparative and critical analysis - comparison between the ideal and the real, between the formal and the informal, between one workplace and the other, between one group and the other and so on. It can be applied for the comprehension of many underground realities in a business organization (Schwartzman, 1993) - cultural backgrounds, behaviour patterns, informal networks (Trice, 1993), entrenched but inarticulated agendas, power relationship and balance, organizational culture (Schulz, 1995), communication gap, etc. It helps to find ways to benefit from the informal networks and to create new creative and productive solutions through careful handling of the change processes and behaviour patterns. The ethnographical method can be successfully applied in almost every business contexts - from manufacturing places to the end-users' homes and communities.

Other important methods of applied business anthropology are scenario planning and **interactive learning**. Different possible scenarios, including the most improbable and the most plausible (including the straight-line, number-led forecasting) are put on the same table for an equally careful examination and open discussion.

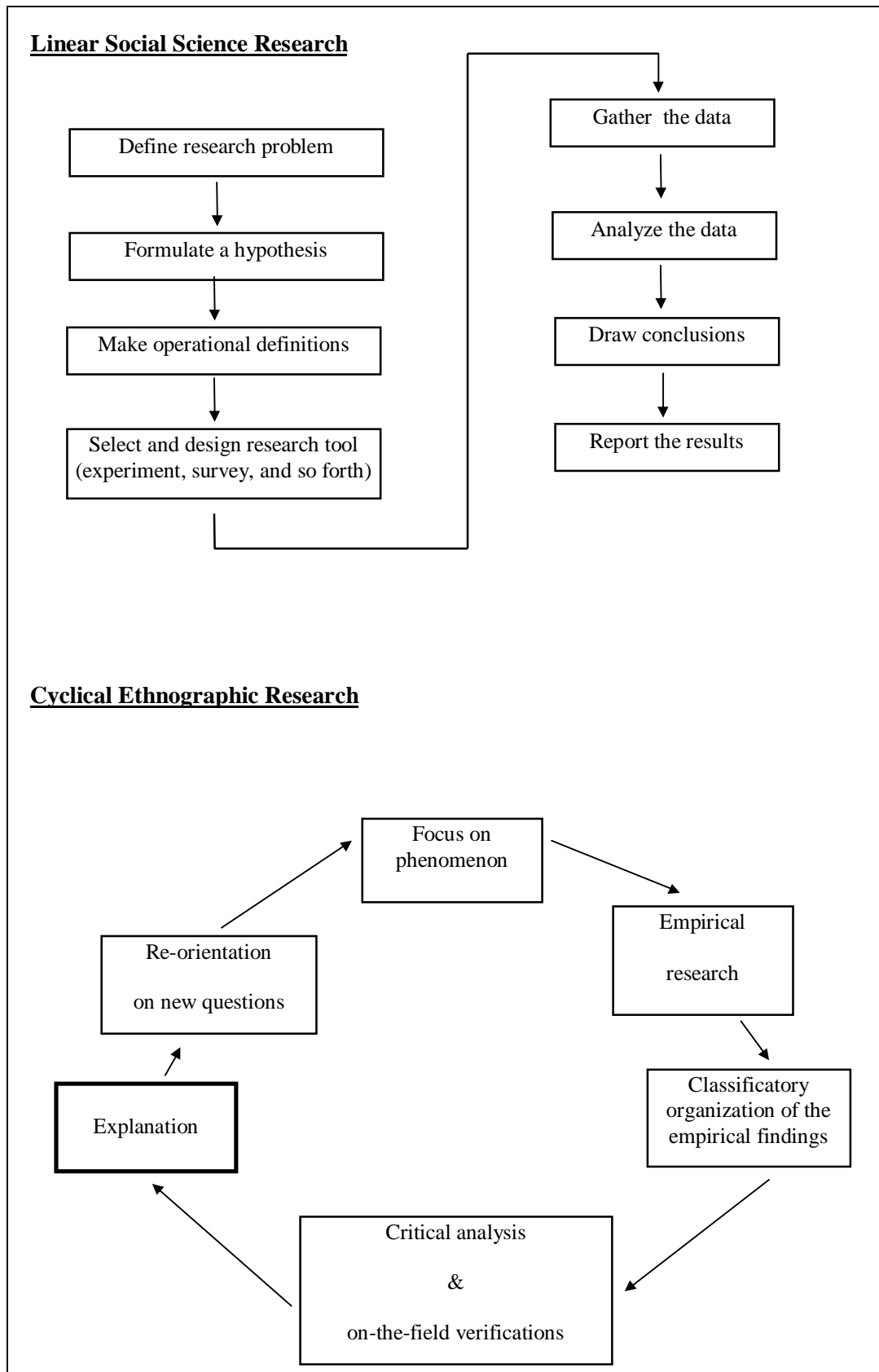


Figure 3. Linear vs Cyclical Research

Anthropologists may co-ordinate brainstorming sessions with the participation of the representatives from various levels (policy, management, operations, etc.) of business as well as outsiders (some “remarkable”⁷ people or representatives of the consumer world), with different ages and socio-economic status. In this way, occasions to learn from others’ skills, experiences and perspectives are created. Different possible situations and their eventual solutions are projected. Now we have to learn how to deal with interdependence : the age of separability of doctrines is over (Boggia, 1992). Through interactive learning barriers of sectorial and stagnant compartmentalization are eliminated and creative thinking (Kao, 1997) plus lateral thinking are unleashed. Anthropologists believe that they can really help the companies to become learning organizations.

Scenario planning⁸ as a method of strategic thinking was first utilized by Royal Dutch/Shell’s planning team in early 1970s. The 1973 energy crisis and the quadruplication of oil prices significantly altered the business climate and power balance in the world. It also led to significant changes in the research directions in the industrial technology of the energy-intensive products (e.g. automobiles). According to Daniel Yergin (author of the 1992 Pulitzer Prize winning best-seller, *The Prize : The Epic Quest for Oil, Money and Power*) only one organization, Royal Dutch/Shell’s Group Planning, anticipated the situation, for it was the first and only organization to utilize scenario planning method.

Scenario planning was developed and introduced by a Frenchman, Pierre Wack⁹, who was the head of “business environment research” unit in Shell Group Planning. Scenario planning is a careful and systematic thinking about the unthinkable from different perspectives. And interactive learning is the sharing of those scenarios and perspectives by all concerned people from different walks of life, with different background and skills.

Scenario planning and interactive learning imply interdisciplinary and intercultural thinking. These methods are currently being utilized in some business intelligence programs¹⁰. Global Business Network Alliance¹¹, one of the most innovative and successful international consultancy business based in California, uses these methods. Anthropological perspective dominates GBN thinking and anthropologists are actively engaged in the organization’s business affairs. Scenario planning (Schwartz, 1991), despite its evident qualitative perspective, follows systematic and recognizable phases. It starts by determining the decision to be made, through brainstorming sessions in order to gather information also from unorthodox sources, and then it goes on identifying the driving forces (social, economic, political, technological, etc.). In building scenario we have to consider also pre-determined elements (i.e. inevitable) and critical uncertainties (i.e. unpredictable). The next step is to prioritize them all, basing on

importance and uncertainty. When two or three (or even more) scenarios are developed different plots are described. Then it becomes easier to single out the forces and factors that are relatively more decisive. At the end the implications of different scenarios are previewed; and the basic indicators are used to monitor the actual situation. The end result of scenario planning is not better forecasting but better preparations and better decision making for an uncertain tomorrow. Anthropology is the most suitable discipline for this exercise.

The present paper has a very limited scope: it just want to introduce how and why anthropological skills can be helpful for business related matters. Anthropology can provide new methods, new inputs for rethinking the established approaches and the procedures, and, above all, it can broaden the cultural horizon of business-people.

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Notes:

- ¹ Anthropologists have held and, in a few cases, continue to hold strategic positions, as in-house experts, in a number of high profile companies. Many organizations tend to hire, without publicizing, independent anthropologists or consulting firms utilizing anthropological services, competences and methods.
- ² The former dictator of Haiti, late Mr. Duvalier, notorious as Papa Doc, was also a trained anthropologist. His profound understanding of the Haitian society and culture helped him to consolidate power and to confer a cultural legitimacy to the regime led by him. He is said to have shrewdly and successfully manipulated the Haitian magico-religious traditions (a curious blending of popular Catholicism and Afro-Caribbean magic tradition known as the Voodoo or Vodou) to create a new “official” creed, a sense of belonging and, naturally, loyalty to the regime.
- ³ Gerontechnology is a new, multiprofessional branch of science focusing on the interaction between scientific research in aging and products, services, practical knowledge and the environment. The first international Conference on Gerontechnology was held in Eindhoven (The Netherlands) in 1991. The Second International Gerontechnology Conference was held in Helsinki (Finland) in 1996.
- ⁴ The concept of “uncertainty avoidance” has been elaborated by Geert Hofstede (Hofstede, 1994), professor of Organizational Anthropology at Maastricht, who has been studying the impact of cultural differences on management and consumers’ world since 1960s.
- ⁵ Economic organizations have ignored for too many time cultural differences, compromising sometimes potential good deals. Takeo Fujisawa (co-founder of Honda Motor Company), who knows the importance of not undervaluing differences in culture, once said: “Japanese and American management practices are 95% the same, and differ in all important aspects”.
- ⁶ Procter & Gamble used anthropological approach in studying the consumer’s behaviour and to understand the differences between the company’s conception of the use of its product and the actual (and varied) patterns of use by the end-users. Another company, Kimberly Clark, used ethnographic method with the use of video to study the behaviours in order to comprehend the real differences in company’s projection and consumer’s acceptance and use (Gonzalez, 1995).
- ⁷ A remarkable person is not necessarily a VIP (“Very Important Person”); a VIP can also be a mediocre person. Remarkable people (writers, artists, scientists and all extra-ordinary people) are not always VIP, but never mediocre.
- ⁸ Scenario planning has been developed and studied by many international experts of pianification, strategy, futurism and fiction. The most important upholders of Scenario planning today operate for the GBN Alliance (see Note 10) : P. Schwarz, S. Brand, L. Wilkinson, K. Van der Heijden, G. Galer, S. Barnett, A. De Geus and many others.
- ⁹ Pierre Wack, who retired in 1981, is said to have a very interesting and seemingly eccentric character. He would burn incense in his office and speak in parables and riddles mesmerizing his audience. Wack claimed that if the rules of the world were constantly changing it was hopeless to pursue forecasting based upon the rules of the present. He believed that no amount of information about the past and present was sufficient to help planning and decision for the future. Therefore, it was better to search for wisdom in unusual manners, with a long view on an entire range of possible futures.
- ¹⁰ The Business Intelligence Program (born as an initiative of the Stanford Research Institute) provides clients with a system of integrated research intelligence and customized services to help define new

market opportunities, identify and communicate future challenges, formulate and implement business strategy, and develop innovative products, processes, and services.

B.I.P. explores the defining forces for the decade ahead and how will those changing dynamics affect business. B.I.P. has identified these defining forces (cyberspace, transforming work, innovation, polarized society, knowledge management, high-growth markets, emerging technologies) and provides insights and ideas about how businesses can profit from the opportunities change may bring.

- ¹¹ Some of the Global Business Network (GBN) founders and key members come from the Royal Dutch/Shell's Group Planning team. GBN has been providing advisory services to US government departments and many high-profile companies (such as AT&T, Leo Burnett Company, Universal, ABC TV, Dentsu Inc., Genetech Inc., etc.). Among GBN studies there are scenarios on the electronic advertising, the future of cars and individual mobility, new needs in domestic technology, the peace in South Africa, the future of telecommunications in Asia, the future of Rotterdam harbour and shipping transport, the future of China and Hong Kong, and so on.

Prof. Pant (initiator of the business anthropology program in Liuc and co-author of this paper) is a network member of Alchera s.r.l., the Italian partner of GBN Alliance, based in Milan.